Private network in the field of basic telephone in Indore

2945. DR. ALLADI P. RAJKUMAR: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that recently a private network has been launched by an operator in the field of basic telephony in Indore;

(b) if so, the details/terms of the permission/licence granted; and

(c) the extent which such competition is proposed to be allowed in other cities?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI KABINDRA PURKAYASTHA): (a) Yes, Sir.

(b) M/s Bharti Telenet Ltd., a private company has been granted licence to provide Basic Telephone Service in the State of Madhya Pradesh. The basic terms and conditions of Licence are given in the Statement (*See below*)

(c) As per present policy, there will be one private licencee of Basic Telephone Service in addition to Department of Telecom/Mahanagar Telephone Nigam Ltd. in each of 21 Service Areas in which entire country has been divided. These areas are generally co-terminus with the State boundaries.

Statement

Basic terms and conditions of the licence

1. The entire country has been devided into 21 Service Areas. There shall be one private licensee for Basic Telephone service in addition to Department of Telecom (DOT) Mahangar Telephone Nigam Limited (MTNL) in each of the 21 Service Areas.

2. The Licence to provide Basic Service would be initially for a period of 15 years on non-exclusive basis. The licence is extendable for another 10 years on suitable terms and conditions.

3. Foreign equity in the licensee company shall not be more than 49%.

4. The service provider will also provide Village Public Telephone (VPT) equivalent to a minimum of 10% of the Direct Exchange Lines (DELs) in any quarter in first 3 years of their operation. When all the villages are covered with telephone facilities, this 10% limit will not apply.

5. The foreign promoters whose networth and experience have been counted for determining the eligibility of the bidding company will have a minimum of 10% stake in the licensee company for a period of atleast five years.

6. All Telephone Exchanges and transmission systems shall be of digital technology. Customer Access Network shall be based on Wireless in Local Loop (WILL) and Fibre in Lopp technologies. Copper cable shall be permitted in the last 500 meters radial distance from the subscriber's premises.

7. The licenses are permitted to carry the intra-circle Telephone traffic on their network but the inter-circle and international Subscriber Trunk Dialled (STD) traffic will be carried on the networks of Department of Telecom and Videsh Sanchar Nigam Ltd.

8. The connectivity between the networks of DOT/MTNL and that of private operator's shall be at the equivalent level.

9. The Traffic for the SERVICE provided by the Liensee shall not be more than DOT's Tariff. Tariff is subject to regulation by the Telecom Regulatory Authority of India.

Deterioration of Telephone Systems

2946. DR. RAJA RAMANNA: Will the Minister of COMMUNICATIONS be pleased to state:

(a) the reasons for deterioration of telephone systems in the country resulting in non-functioning of telephones and assistance systems inspite of new technologies; and